



California Democrats Push for Higher Taxes on Working Families

CALIFORNIA TAXES: Hard-working Californians are paying one of the highest tax burdens in the country. Every day, Californians pay:

8.25%
Sales Tax

Highest State Sales Tax Rate in the United States

Franchise Tax Board

63.9¢
per gallon
Gas Tax

Highest Gas Taxes in the Country

Tax Foundation

10.55%
Income Tax

Second Highest Income Tax Rate in the United States

Forbes Magazine

NEW DEMOCRAT PROPOSED TAX INCREASES: In spite of California's high tax burden, and the fact that Californians are still digging out from under a **\$12.5 billion** tax increase passed last year – the largest in state history – California Democrats in the Assembly and Senate have proposed more than a dozen measures this year to impose new or higher taxes on Californians, including:

+\$14
Billion

New Income Tax Increase on Californians – Democrats have proposed increasing taxes on thousands of Californians including many owners of job-creating businesses (AB 1836-Furutani), which would be a \$14 billion tax hike over 5 years.

+\$1.4
Billion

New Taxes on Oil = Higher Gas Prices – Two measures (AB 1604-Nava and AB 656-Torrico) would impose a new oil severance tax. Despite the rhetoric of Democrats, these measures will surely lead to higher gas prices at a time when gas prices are soaring past \$3 per gallon – a \$1.4 billion annual tax increase.

+ Taxing
the Miles
You Drive

New Tax on the Miles People Drive – Showing they will pull out all the stops to find new ways to tax Californians, Democrats have proposed a pilot program that could eventually lead to the state taxing motorists on the number of miles they drive their car each year (SB 1299-Lowenthal).

+25¢
per bag

New Grocery Store Bag Tax – Democrats have proposed legislation (AB 1998-Brownley) that would impose a new green bag “fee” of at least 25 cents on each bag Californians use to carry home their groceries.

+10¢
per can
of soda

New Per Teaspoon of Sugar Tax on Soda – Democrats are pushing two measures (AB 2100-Coto and SB 1210-Florez) to tax the soda that you drink to fund new programs we can't afford. One proposal would add a one cent per teaspoon of sugar tax, which would amount to a 10 cent per can tax increase on a 12 ounce can of soda.

**+\$3
per traffic
ticket**

New Tax on Traffic Tickets – Democrats even want to impose a new tax (AB 2173-Beall) on the traffic tickets of Californians who may receive one, to pay for more government spending – a tax increase of \$3 per traffic ticket.

**+ Taxing
Your
Parking at
Work**

New Tax on Parking at Work – Democrats want to take away the income tax exclusion (AB 2640-Arambula) that workers receive for free or subsidized parking from their employers, treating this job benefit as taxable income. This would be a significant new expense on the wallets of working Californians.

**+4.8%
Home
Insurance
Tax**

New Home Insurance Policy Tax – With many struggling to avoid foreclosure, Democrats want to impose a new 4.8 percent tax (SB 1258-Kehoe) on the insurance policies of homeowners and property owners. This would be a \$238 million tax increase in 2010-11 and a \$480 million tax increase annually each following year.

HUNDREDS OF BILLIONS IN LOOMING COSTS FOR EMPLOYERS, RATEPAYERS, PROPERTY OWNERS AND LOCAL TAXPAYERS:

Some of the tax increases proposed by Democrats or enacted in recent years will cost hundreds of billions to tax and rate payers over the next decade. The costs of some of these proposals are staggering:

**+\$210
Billion?**

New Health Care Taxes – Democrats are pushing a new California government-run health care plan (SB 810-Leno) that would be paid for by a yet-to-be-determined new jobs tax, which could result in tens of billions in new taxes on employers and threaten job creation. A prior version of this scheme was projected to cost \$210 billion annually.

**+\$146
Billion?**

New Global Warming Taxes – Liberal bureaucrats at the California Air Resources Board are proposing costly new regulations to implement the global warming law, AB 32. A proposed “cap and trade” plan could result in \$146 billion in new costs at \$60 per ton of emissions, passed along to consumers, rate payers and taxpayers.

**+\$420
Million?**

Repealing Job Creating Tax Incentives – At a time when the state’s unemployment rate is 12.5 percent and small businesses are struggling to stay open in California, Democrats are proposing bills (AB 1935 and 1936-De Leon) that will take away two job creating tax incentives (single sales factor and net operating loss carryover) that are critical for job creation.

**+Billions
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Paving the Way for New Local Tax Increases – Democrats want to make it easier to raise taxes at the local level. They have proposed legislation (AB 2113-Evans) that would authorize cities and counties to establish local income taxes and car taxes, subject to a vote of the local electorate.

**+Billions
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Split Roll Property Tax – Democrats want to increase taxes on the property owned by businesses that create jobs in California. They have proposed a measure (AB 2492-Ammiano) to require reassessment of all corporate property in the state when that company changes ownership.
